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SERVICE DATE - JULY 8, 1999

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33768]

Grand Trunk Western Railroad Incorporated--Trackage Rights Exemption--Consolidated Rail Corporation¹

Consolidated Rail Corporation (Conrail) has agreed to grant limited, non-exclusive overhead trackage rights to Grand Trunk Western Railroad Incorporated (GTW), over segments of Conrail's lines as follows: (1) on Conrail's North Yard Branch between MP 6.7 (at Canadian National Railway Company's (CN) Milwaukee Junction, the proposed connection point between CN and Conrail) and MP 2.9 (the connection point between Conrail's North Yard Branch and Conrail's Detroit Line); and (2) on Conrail's Detroit Line between MP 2.9 and MP 18.9 (the proposed CN/Conrail connection near Gibraltar which is

¹ By decision served July 23, 1998, the Board approved, subject to certain conditions, the acquisition of control of Conrail, and the division of the assets thereof, by CSX Corporation and CSX Transportation, Inc. (referred to collectively as CSX) and Norfolk Southern Corporation and Norfolk Southern Railway Company (referred to collectively as NS). See CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company – Control and Operating Leases/Agreements – Conrail Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388, Decision No. 89 (STB served July 23, 1998). Acquisition of control of Conrail was effected by CSX and NS on August 22, 1998. The division of the assets of Conrail was effected by CSX and NS on June 1, 1999. See CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company – Control and Operating Leases/Agreements – Conrail Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388, Decision No. 127 (STB served May 20, 1999).

CN's Denby Station), for a total distance of approximately 20 miles.² The purpose of the trackage rights is to enable GTW to improve its service and expedite its trains through the congested Detroit, MI terminal area. The transaction was scheduled to be consummated on or after June 25, 1999, the effective date of the exemption (7 days after the exemption was filed).

As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in Norfolk & Western Ry. Co.--Trackage Rights--BN, 354 I.C.C. 605 (1978), as modified in Mendocino Coast Ry., Inc.--Lease & Operate, 360 I.C.C. 653 (1980).

This notice is filed under 49 CFR 1180.2(d)(7). If it contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33768, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Robert P. vom Eigen or Jamie P. Rennert, HOPKINS & SUTTER, 888 16th Street, NW, Washington, DC 20006.

² A redacted version of the draft trackage rights agreement between Conrail and GTW was filed with the notice of exemption. The full version of the agreement, as required by 49 CFR 1180.6(a)(7)(ii), was concurrently filed under seal along with a motion for a protective order, which will be addressed in a separate decision.

STB Finance Docket No. 33768

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Decided: July 1, 1999.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary